

County of Sullivan, NH

Type of meeting: Board of Commissioners, Executive Session Meeting Minutes – Per RSA 91-A:3.II.d. Discussion Regarding County Building Lease
Date/Time: Tuesday, January 3, 2012, 3:54 PM
Place: Newport, NH - 14 Main Street, Newport NH 03773

Attendees: Commissioners Bennie Nelson - Chair, Jeffrey Barrette – Vice Chair and John M. Callum Jr. - Clerk; Greg Chanis – County Administrator; and Sharon Callum – Administrative Assistant/Minute Taker.

Agenda Item No. 4. Probable Executive Session Per RSA 91-A:3.II.d – Discussion Regarding County Building Lease

3:54 Motion: to go into Executive Session per RSA 91-A:3.II.d. to continue discussion on a matter that pertains to a County building lease. Made by: Barrette. Seconded by: Callum Jr. Roll call vote: All in favor.

Mr. Chanis distributed a three page package, showing:

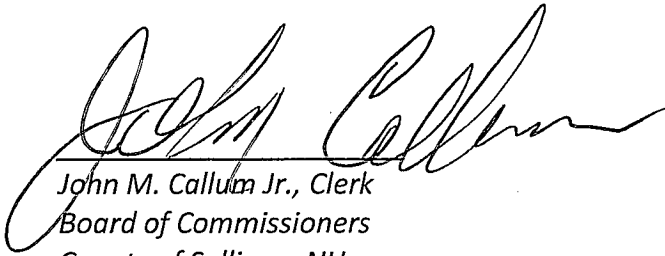
- Page 1 & 2: *WCBH Sanders II Renovation Budget Estimate* dated 12/29/11, standard bid contracts for general conditions, site work, concrete, metals, carpentry, doors and windows, finishes, mechanical, electrical, management, design and engineering fees, contingency of 7.5%, coming to a total estimated project cost of \$853,529, with \$164,851 being paid by the tenants due to specific tenant improvements. Chanis noted the \$30,000 is for WV Engineering and Mr. Haight. He also clarified the Project Management fee on first page pertained to United Construction.
- Page 3 illustrates proposed base rental amounts over a five year period, and 10 year bond of \$750,000 based on 3.5, 3.0 and 2.5% rates

Chanis noted, he and Mr. Cressy met and shared the data with WCBH representative Cynthia Twombly; they are now just waiting for WCBH to okay going forward with the improvements – if received, they will be pressed for time, and need to begin construction immediately. Commissioner Callum Jr. inquired what the parking space impact would be if they took on the new tenant. Chanis confirmed there would be an impact; however, they budgeted for parking lot improvements and have a draft plan that illustrates increasing spaces by 30; he's confident the budget will cover the additional parking space costs.

Commissioner Barrette expressed concerns, but noted, he feels, if the County could do the work for less than \$700,000 and sign at least a five (5) year lease, it's a good gamble.

4:16 Motion: to come out of nonpublic. Made by: Barrette. Seconded by: Callum Jr. Voice vote: All in favor.

Respectfully submitted,



John M. Callum Jr., Clerk
Board of Commissioners
County of Sullivan, NH

Date minutes approved:

01/17/12

Minutes were ~~unsealed~~ or kept sealed on:

1/17/02

Minutes released 3-6-2012 sc

WCBH Sanders II Renovation
Budget estimate
12/29/11

| | Total estimate | Tenant |
|-------------------------------------|----------------|-----------|
| D1 General Conditions | | |
| United Const. Project Mangement | 19,500.00 | |
| Permits | 600.00 | |
| Site Clean Up/Disposal | 5,500.00 | |
| Temporary Dust walls | 500.00 | |
| Misc Tools | 1,000.00 | |
| D2 Site Work | | |
| Demo 2 sidewalks, prep for concrete | 3,600.00 | |
| D3 Concrete | | |
| 4" sidewalks (2) | 3,000.00 | |
| D4 Masonry | | |
| No Scope | | |
| D5 Metals | | |
| ADA Compliant handrails | 10,500.00 | |
| D6 Carpentry | | |
| New Wall Framing | 7,500.00 | 7,500.00 |
| Misc. Entry Repairs | 7,000.00 | |
| Cutting/Patching for Mechanical | 6,500.00 | |
| D7 Thermal/Moisture | | |
| No Scope | | |
| D8 Doors and Windows | | |
| Unfinished 3/0 x 6/8 Birch Doors | 12,348.00 | 12,348.00 |
| Fire rated 6/0x 6/8 Steel Doors | 5,400.00 | |
| Hardware existing doors | 8,640.00 | |
| New storefront entries | 3,600.00 | |
| D9 Finishes | | |
| Drwall system-New walls | 4,000.00 | 4,000.00 |
| Drwall /Plaster Repairs | 4,000.00 | |
| Paint | 33,500.00 | |
| Casework | 10,000.00 | 7,500.00 |
| Bathroom Fixtures | 2,500.00 | |
| Flooring (No underlayment) | 24,453.00 | |
| D15 Mechanical | | |
| Plumbing | 33,304.00 | |
| HVAC | 364,813.00 | 91,203.00 |
| Sprinklers | 5,280.00 | 1,050.00 |
| D16 Electrical | | |
| Electrical & Fire Alarm | 165,000.00 | 41,250.00 |

WCBH Sanders II Renovation
Budget estimate
12/29/11

| | | |
|-------------------------------|----------------|----------------|
| Sub-Total | 742,038 | |
| 7% Project Management Fee | 51,943 | |
| Design/Engineering | 30,000 | |
| Sub Total | 793,981 | |
| Contigency 7.5% | 59,549 | |
| | | |
| Total estimated project Cost | 853,529 | |
| Sub Total Tenant Improvements | | 164,851 |
| Net County project Cost | 688,678 | |

| Base rental amounts for Proposed Lease (8,275 s.f.) | | | | |
|---|-------------|-----------|------------|----------|
| Year | Cost/Sq.Ft. | Annual Ir | Annual | Monthly |
| 1 | 12.00 | | 99,300.00 | 8,275.00 |
| 2 | 12.30 | 2.50% | 101,782.50 | 8,481.88 |
| 3 | 12.61 | 2.50% | 104,327.06 | 8,693.92 |
| 4 | 12.92 | 2.50% | 106,935.24 | 8,911.27 |
| 5 | 13.25 | 2.50% | 109,608.62 | 9,134.05 |

| Year | Annual Rent | Bond Payment: \$750,000 for 10 Years | | | | | |
|------|-------------|--------------------------------------|-----------|--------|-----------|--------|-----------|
| | | 3.50% | Cash Flow | 3.00% | Cash Flow | 2.50% | Cash Flow |
| 1 | 99,300 | 99,937 | -637 | 96,375 | 2,925 | 92,813 | 6,487 |
| 2 | 101,783 | 97,312 | 4,471 | 94,125 | 7,658 | 90,937 | 10,846 |
| 3 | 104,327 | 94,687 | 9,640 | 91,875 | 12,452 | 89,062 | 15,265 |
| 4 | 106,935 | 92,062 | 14,873 | 89,625 | 17,310 | 87,187 | 19,748 |
| 5 | 109,609 | 89,437 | 20,172 | 87,375 | 22,234 | 85,312 | 24,297 |
| | | | 48,518 | | 62,578 | | 76,642 |